

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of W. G. and E. D. Wadley to have)
a schedule of water rates fixed) Application No. 1387
for the territory supplied by)
applicants near Los Angeles.)

W. G. Wadley in propria persona

EDGERTON, Commissioner.

O P I N I O N

This is an application for permission to increase rates charged for water.

Applicant owns and operates a water producing and distributing system in a territory just outside the incorporated limits of the City of Los Angeles, called Manchester Heights. Up to a short time ago there were about 180 consumers and recently there have been added 60 consumers.

These latter consumers have been supplied by, and claim to own, what is called the Olivito Heights Water System. The source of water supply of this system has recently failed, and Wadley has been supplying water to these consumers through a connection made with his system at an agreed rate of \$1.25 minimum, the Olivito System being metered.

Applicant now has three sets of rates:

1. Flat rates under the Wadley system \$1.00 per lot per month.
2. Meter rates under Wadley system 10 cents per hundred cubic feet with minimum of \$1.00.
3. Meter rates under Olivito system, \$1.25 for 700 cubic feet or less per month, and 18 cents for each 100 cubic feet excess.

The engineers of this Commission find a depreciated reproduction, or present value, of the Manchester plant to be \$8,606.

The annual expenses chargeable directly to the Manchester consumers are as follows:

Interest on \$8,606 at 7% -----	\$ 602
Salary of Wadley -----	900
Power -----	675
Repairs -----	150
Depreciation -----	452
Taxes -----	<u>25</u>
Total -----	\$2804

The additional annual expense incurred through the acquisition of the Olivito consumers is:

Salary of Wadley -----	\$ 300
Power -----	200
Repairs -----	100
Meter upkeep -----	<u>30</u>
Total -----	\$ 630

The total charges, therefore, of \$3,434, divided by the 240 total consumers, gives an average per service of \$1.20 per month.

There are only 11 meters attached to the Manchester system and the evidence shows that there has been considerable abuse by indiscriminate use of water during all hours of the day. The only real remedy, of course, is the metering of the services, and I strongly recommend that meters be put in by Wadley.

Data gathered from all over Southern California shows that an average family can be amply supplied with water and use

not to exceed 800 cubic feet per month, and I believe this to be a fair amount to be fixed for which the minimum of \$1.20 per month will be paid.

I think that \$1.20 per month should also be the flat rate. If Mr. Wadley finds that water is being wasted under the flat rate he can, of course, meter the wasteful services, and thus either obtain compensation for the use of the excess water or check the waste.

Excess water, I believe, should be paid for at the rate of 10 cents per 100 cubic feet per month.

I submit the following form of order:

O R D E R

Application having been made by W. G. and E. D. Wadley for permission to increase the rates charged by them to consumers for water, and a public hearing having been had and the matter having been submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
HEREBY FINDS AS A FACT that the present rates being charged by W. G. and E. D. Wadley for water delivered to consumers in what is known as Manchester Heights Tract and Olivito Heights Tract are unjust and unreasonable, and that the rates set out in the following order are just and reasonable rates to be charged by said persons for water delivered to said consumers,

Basing its order upon the foregoing finding of fact and the further findings of fact set out in the opinion preceding this order,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that W. G. Wadley and E. D. Wadley are hereby authorized to charge consumers in what is known as Manchester Heights Tract and Olivito Heights Tract, the following rates for water:

Meter rates \$1.20 for 800 cubic feet or less per month. 10 cents per 100 cubic feet in excess of 800 cubic feet.

Flat rate \$1.20 per month per service.

Meters to be installed at expense of the Wadleys.

W. G. and E. D. Wadley are hereby authorized to put the rates herein found to be reasonable into effect on the 1st day of May, 1915, provided that they shall before said date file with this Commission a schedule of rates as herein above set out.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 20th day of April, 1915.

Max Shelton

H. H. ...

Alex G. ...

Edwin C. Egeston

Franz ...

Commissioners.